AMENDED IN ASSEMBLY APRIL 12, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 963

Introduced by Assembly Member Valadao

February 18, 2011

An act to add Section—21080.43 75022.1 to the Public Resources Code, relating to environmental water quality.

LEGISLATIVE COUNSEL'S DIGEST

AB 963, as amended, Valadao. Environmental quality: California Environmental Quality Act (CEQA) exemption: substitution for Safe drinking water: contaminated groundwater.

The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative bond act approved by the voters at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of \$5,388,000,000 for the purposes of financing a safe drinking water, water quality and supply, flood control, and resource protection program. Existing law appropriates \$180,000,000 of that bond money for grants for small community drinking water system infrastructure improvements and related actions to meet safe drinking water standards.

This bill would require the State Department of Public Health to develop guidelines in collaboration with the State Water Resources Control Board to fund projects for disadvantaged or severely disadvantaged communities and to govern the selection of projects that considered demonstrated prevention of illness and adverse public health effects in a community.

The bill would also require the department to provide guidelines for improving replacement drinking water systems in areas with

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contaminated groundwater that may not be economically remediated for drinking water purposes and the acquisition of public water systems by local agencies as part of a project to provide clean and safe water for small communities.

(1) The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.

CEQA exempts certain specified projects from its requirements.

This bill would exempt a project undertaken to allow for the substitution of a source of surface water for a source of groundwater deemed to be contaminated if the source of contaminated groundwater is serving an economically disadvantaged community of less than 3,000 residents. Because a lead agency would be required to determine whether a project falls under this exemption, this bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 75022.1 is added to the Public Resources
- 2 *Code, to read:*
- 3 75022.1. For purposes of implementing Section 75022, the
- 4 State Department of Public Health shall do both of the following:
- 5 (a) Develop guidelines in collaboration with the state board to
- 6 do both of the following:

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(1) Fund projects for disadvantaged or severely disadvantaged communities.

- (2) Govern the selection of projects that considered demonstrated prevention of illness and adverse public health effects in a community.
 - (b) Provide guidelines for both of the following:

- (1) Improving replacement drinking water systems in areas with contaminated groundwater that may not be economically remediated for drinking water purposes.
- (2) The acquisition of public water systems by local agencies as part of a project to provide clean and safe water for small communities.
- SECTION 1. Section 21080.43 is added to the Public Resources Code, to read:
- 21080.43. This division does not apply to a project undertaken to allow for the substitution of a source of surface water for a source of groundwater deemed to be contaminated if that source of contaminated groundwater is serving an economically disadvantaged community of less than 3,000 residents.
- SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.